

■ BuyUSA RINGS UP A SALE FOR CALIFORNIA PHONE EQUIPMENT COMPANY

by Doug Barry
U.S. Commercial Service

If your cell phone connection in Peru is improving, thank a small technology company in California's Silicon Valley and BuyUSA.com.

It's a long way from the Golden Gate to Machu Picchu, but Telewave Inc., a veteran manufacturer of two-way radio equipment, is no stranger to long distance. When Telewave wanted a way to expand its South American business to Peru, it recognized in BuyUSA.com—the U.S. Commercial Service's on-line marketplace—an effective, inexpensive, low-risk way to make new sales.

Turns out it was right. Telewave recently completed the first of what it hopes will be many sales to buyers in Peru. "The first purchase was worth about \$80,000, which is a great start," says Jack Waldbewohner, who manages Latin American sales and is known at Telewave as "Jack W."

Jack says Telewave has tried some high-priced private consultants to drum up business abroad, but results varied greatly. In contrast, he's found that the U.S. Commercial Service consistently delivers qualified buyers, useful market

research, and that the Service's domestic and international trade specialists add value that no other e-marketplace offers. "We've used the Commercial Service in Brazil, Mexico, Chile, Paraguay, and Venezuela—and it has never dropped us in the grease."

Nor will it if trade specialist Keith Hwang, who sold the BuyUSA.com subscription to Telewave for \$400, has anything to say about it. "I talk to Jack pretty regularly and help coordinate the other services we provide Telewave in the Latin American markets."

Hwang also says that Telewave continues to expand its international sales while many other tech companies in and around Silicon Valley have cut back or tanked during the dot-com meltdown and recession. Jack adds that the company has endured some tough times, but the domestic and international economies seem to be slowly improving.

He says Telewave was spared worse because of the management skills of President Raymond Collins, who owns the company. Collins followed a conservative investment strategy that did not rely on the stock market and focused on lower to mid-level technology products instead of spending huge amounts of borrowed capital in a search for breakthrough gadgets. "We're still

selling a lot of watt meters that we first made 25 years ago," says Collins. Telewave makes about 1,000 different products.

■ ESCAPING THE MEAT AX

"Many companies in this area went through their staffing with a meat ax," Jack says. International sales were hit especially hard, he explains, because costs for trips abroad and phone calls stuck out like a sore thumb. "It was very shortsighted of these companies, because it will take many months to staff up again."

Meanwhile, amid tech sector chaos and bloodletting, Telewave chugs ahead, increasing international sales to 25 percent of total income and aiming to get more. The Peru sale involved a product called a ceramic autotune combiner or "gray box," 53 pounds of motors and software that decreases the number of dropped cell calls, reduces electricity usage by 20 percent, and takes over equipment monitoring functions otherwise performed by costly technicians.

And while doing business in some Latin America countries is not without risk and turmoil, Jack says there is a continuous stream of opportunities that cause hearts to beat faster among the 43 employees at Telewave. "You read a lot of things in the press about



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Phoning it in: Telewave International President Raymond L. Collins (center) with International Sales Manager Jack Waldbewohner and International Trade Specialist Keith Hwang of the Silicon Valley Export Assistance Center.

Colombia. But the fact is the government is investing \$100 million in telephone trunking equipment this year, and we'd like a piece of that business."

Jack has already asked the Commercial Service for help. And he continues to monitor his BuyUSA.com account, receiving at least one solid lead per week from the thousands of buyers that the Commercial Service have vetted and congregated there. "That one sale to Peru pays for 50 years of BuyUSA.com."

What is it about Jack that contributes to Telewave's export success? The Commercial Service's Hwang says that, in part, it's because Jack is a positive thinker: "To him, nothing is impossible. So a lost order here or a setback there doesn't really slow him down. Once he finds an interested distributor, he does not fail to follow up, and my guess is that this responsiveness eventually is persuasive so that he gets good results from his overseas network."

Hwang believes that responsiveness and reliability can make or break companies that rely on the Internet to do business across multiple country

markets and cultures. Buyers still crave personal contact, and international sales managers like Jack are still salesmen. Their most important tools remain the telephone, the face-to-face deal, and their dedication to pleasing the customer.

The strength of the Internet is its ability to bring the wares of a small company like Telewave to the attention of buyers in markets that have only recently gotten connected. For Telewave and its buyers, having the U.S. government bring the parties together via the Internet adds a measure of trust that Jack believes can be a decisive ingredient.

Jack puts in lots of hours scouring the world for sales opportunities, but he likes his job and is proud of Telewave products that help people get connected in faraway places. "My wife says when I die, I'll probably want a 'gray box' in the coffin with me. No dropped calls in the afterlife."

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